

TO:

FROM:

United States Department of Agriculture

INFORMATIONAL MEMORANDUM NO.: IS-11-005

Farm and Foreign Agricultural Services

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

Risk Management Agency

Michael A. Alston /s/ Michael A. Alston

7/19/2011

Deputy Administrator for Insurance Services

1400 Independence Avenue, SW Stop 0801 Washington, DC 20250-0801

SUBJECT: Claims Advisory – Wheat Streak Mosaic Appraisal Modification

BACKGROUND:

Approved Insurance Provider's doing business in Montana, North Dakota, and South Dakota have reported the presence of wheat streak mosaic virus (WSMV) and notified the Risk Management Services Division (RMSD) of their intent to use the Wheat Streak Mosaic Appraisal Modification.

Wheat streak mosaic is a disease caused by a virus that is carried and transmitted (vectored) by the wheat curl mite, Aceria tosichella. The disease may cause losses that range from minimal damage to complete crop failure. Distribution of the disease may be restricted to a few fields, or the disease may be widespread in a region. The disease usually occurs in areas where both winter and spring wheat are grown. Wheat Streak Mosaic may be more closely associated with fall planting dates. As such, University Extension Services in these states publish fall planting dates and practices to avoid WSMV.

The Small Grains Crop Provisions (11-0011) address when damage to the crop is insurable under Insurance Period Section 7(a)(2)as follows:

- (iii) Whenever the Special Provisions designate both fall and spring final planting dates:
 - (A) Any winter barley or winter wheat that is damaged before the spring final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to a winter type of the insured crop to maintain insurance based on the winter type unless we agree that replanting is not practical. If it is not practical to replant to the winter type of wheat or barley but is practical to replant to a spring type, you must replant to a spring type to keep your insurance based on the winter type in force.



- (v) Whenever the Special Provisions designate only a spring final planting date, any acreage of fall planted barley or fall planted wheat is not insured unless you request such coverage on or before the spring sales closing date, and we determine, in writing, that the acreage has an adequate stand in the spring to produce the yield used to determine your production guarantee. However, if we fail to inspect the acreage by the spring final planting date, insurance will attach as specified in section 7(a)(2)(v)(C).
 - (A) Your request for coverage must include the location and number of acres of fall planted barley or wheat.
 - (B) The fall planted barley or fall planted wheat will be insured as a spring type for the purpose of the production guarantee, premium, projected price, and harvest price, if applicable.
 - (C) Insurance will attach to such acreage on the date we determine an adequate stand exists or on the spring final planting date if we do not determine adequacy of the stand by the spring final planting date.
 - (D) Any acreage of such fall planted barley or fall planted wheat that is damaged after it is accepted for insurance but before the spring final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to a spring type of the insured crop unless we agree it is not practical to replant.

The Special Provisions of insurance designate a spring only final planting date in four counties in Montana and all counties in North Dakota.

THE COMMON CROP INSURANCE POLICY BASIC PROVISIONS -

REINSURED VERSION (11-BR) also defines good farming practices as the production methods utilized to produce the insured crop and allow it to make normal progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance, including any adjustments for late planted acreage, which are: (1) for conventional or sustainable farming practices, those generally recognized by agricultural experts for the area; or (2) for organic farming practices, those generally recognized by organic agricultural experts for the area or contained in the organic plan. We may, or you may request us to, contact FCIC to determine whether or not production methods will be considered to be "good farming practices."

ACTION:

Use of the WSMV appraisal modification is authorized once AIPs determine the crop was planted using good farming practices according to Agriculture experts. This includes verification of the planting date. AIP's must also determine, especially for winter wheat planted in spring only counties, if WSMV occurred prior to the spring final planting date.

Most infestations occur in the fall; however, the damage may not be visible in the spring until 3 to 5 consecutive days of 70+ degree temperatures have occurred. In spring only counties, if the damage occurred prior to the spring final planting date, winter wheat affected by WSMV is not insurable.

DISPOSAL DATE:

December 31, 2011